

TIRNO-95-D-00057
Incurred Costs Audit
For Fiscal Year Ending August 31, 1999

November 2001

Reference Number: 2002-1C-014

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

November 5, 2001

MEMORANDUM FOR DAVID A. GRANT
DIRECTOR OF PROCUREMENT
INTERNAL REVENUE SERVICE

A handwritten signature in cursive script, reading "Pamela J. Gardiner".

FROM: Pamela J. Gardiner
Deputy Inspector General for Audit

SUBJECT: TIRNO-95-D-00057: Incurred Costs Audit for Fiscal Year Ending
August 31, 1999 (Audit #200210002.005)

The Defense Contract Audit Agency (DCAA) examined the contractor's February 28, 2000 certified incurred cost submissions and related books and records for reimbursement of Fiscal Year 1999 incurred costs. The purpose of the examination was to determine the allowability of direct costs and indirect cost rates and establish audit determined indirect cost rates for September 1, 1998 through August 31, 1999.

The DCAA considered the contractor's accounting system adequate for the accumulation, reporting, and billing of costs on government contracts. However, the DCAA did qualify its opinion because outstanding audit reports have not been received (i.e., various assist audits of subcontractors' costs). The results of these incurred cost reports are considered essential to the conclusion of direct costs.

The information in this report should not be used for purposes other than that intended without prior consultation with the Treasury Inspector General for Tax Administration regarding its applicability.

If you have any questions, please contact me at (202) 622-6510 or Daniel R. Devlin, Assistant Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs), at (202) 622-8500.

Attachment

NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 USC 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

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